

Opening Statement of the Honorable Robert E. Latta
Subcommittee on Digital Commerce and Consumer Protection
Hearing on “Disrupter Series: Delivering to Consumers”
May 23, 2017

(As prepared for delivery)

Good morning and welcome to the Digital Commerce and Consumer Protection subcommittee hearing. Today’s hearing is a continuation of the Disrupter Series in which our subcommittee explores emerging technology and all the ways innovation is reshaping industries. The focus of our hearing this morning is product and package delivery. I am excited to learn about some of the new innovative ways businesses are interacting with consumers and how technology is being leveraged to deliver goods to consumers quickly and safely.

The U.S. e-commerce market is projected to reach \$500 billion by 2018 and is expected to see substantial growth by 2020. When we think of e-commerce rarely do we consider its physical footprint- the process of actually fulfilling the online order and facilitating its delivery. However, my home state of Ohio has become somewhat of an e-commerce hub. Ohio offers favorable geographic location, a workable transportation network, a business friendly regulatory framework and skilled laborers. Because of these key items, Ohio is home to roughly 760¹ warehouse establishments, including e-commerce fulfillment operations for Amazon, J.C. penny, Home Depot and many more.

In today’s digital, on-demand economy, consumers have come to expect flexibility and quick delivery. In fact, a 2016 survey indicates that same-day delivery is a priority for consumers and that consumers want to have options for where their deliveries go- whether that be their office or some other personalized pickup point. Technology, such as drones and other automated couriers, offer innovative approaches to meeting these demands. For example, drones allow fast and efficient delivery because they have the ability to traverse difficult terrain, fly over bodies of water and avoid the natural traffic congestion that slows traditional delivery.

I look forward to hearing more about the use of drones and other automated delivery systems from our witnesses today and how such technological advancements are being used to meet consumer demands and what the safety issues are. I also look

¹ <http://www.cnbc.com/2016/04/08/this-is-why-ohio-is-becoming-the-e-commerce-capital.html>

forward to exploring how we, as policymakers, can promote innovation and address any regulatory barriers. Thank you all for joining us today for this important discussion.